

AETNA HEALTH, INC.

Initially licensed on **2/29/88** as **HealthMaster, Inc.**
On **4/4/91**, the name was changed to **AETNA Healthplan of TN, Inc.**
On **9/4/97** the name was changed to **AETNA US Healthcare, Inc.**
On Prudential Health Care Plan, Inc. merged into Aetna US Healthcare, Inc.
On **5/21/02**, the name was changed to **AETNA Health, Inc.**

LOCAL ADDRESS:

1801 West End Ave., Suite 500 - Nashville, TN 37203-2518 - (615) 322-1600

CORPORATE ADDRESS:

980 Jolly Road, P.O. Box 1180 - Blue Bell, PA 19422 - (800) 872-3862

WEBSITE ADDRESS:

www.aetna.com

AUTHORIZED SERVICE AREA BY COUNTY	
West Tennessee Area:	Crockett, Dyer, Fayette, Haywood, Humphreys, Lauderdale, Perry, Shelby, Tipton and Wayne
Middle Tennessee Area:	Bedford Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Franklin, Giles, Hickman, Lawrence, Lewis, Lincoln, Macon, Marshall, Maury, Montgomery, Moore, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, Wilson
East Tennessee Area:	NONE

The Independent Review Organizations used by the HMO is HAYES Plus, Inc., The Center for Healthcare Dispute, Resolution (CHDR), CORE, Inc. and Island Peer Review Organization (IPRO).

IRO APPEALS	Number	Resolved	Resolved
	Requested	in favor of member	in favor of HMO
year ending 12/31/2004	0	0	0
year ending 12/31/2003	0	0	0

year ending 12/31/2002	1	0	1
year ending 12/31/2001	0	0	0
year ending 12/31/2000	0	0	0
year ending 12/31/1999	0	0	0

AETNA CUSTOMER RESOLUTION TEAM
 If you have a complaint about your Aetna HMO, please call - 1-866-882-8553

HMO Greivance Statistics

NUMBER OF GRIEVANCES/INQUIRIES FOR 2004 of the grievances reported **49%** were resolved successfully
 of the grievances reported **51%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	10	0	0	0	0
2) claim payment/amount of payment	2	24	24	12	12
3) contract terms and conditions	7	9	7	6	3
4) other	6	38	38	18	20
TOTAL	25	71	69	36	35

NUMBER OF GRIEVANCES/INQUIRIES FOR 2003 of the grievances reported **48%** were resolved successfully
 of the grievances reported **52%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	0		0	0	0
2) claim payment/amount of payment	1		5	5	3
3) contract terms and conditions	2		22	22	14
4) other	0		54	54	22
TOTAL	3	81	81	42	39

NUMBER OF GRIEVANCES/INQUIRIES FOR 2002

of the grievances reported **64%** were resolved successfully
of the grievances reported **36%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	0	9	9	2	7
2) claim payment/amount of payment	0	17	17	1	16
3) contract terms and conditions	0	42	42	23	19
4) other	0	9	9	2	7
TOTAL	0	77	77	28	49

HMO Greivance Statistics

NUMBER OF GRIEVANCES/INQUIRIES FOR 2001

of the grievances reported **42%** were resolved successfully
of the grievances reported **58%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	61	9	9	2	7
2) claim payment/amount of payment	40	13	13	2	11
3) contract terms and conditions	29	28	28	21	7
4) other	66	36	36	26	10
TOTAL	196	86	86	51	35

NUMBER OF GRIEVANCES/INQUIRIES FOR
2000

of the grievances reported **80%** were resolved
sucessfully
of the grievances reported **20%** were resolved adversely

Number of	Number of	Number of	Number of	Number of
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CATEGORY	Inquiries to the HMO	written grievances	resolved grievances	adverse decisions	successful resolutions
1) availability/delivery of service	7	2	2	0	2
2) claim payment/amount of payment	19	9	9	0	9
3) contract terms and conditions	3	9	9	4	5
4) other	1	0	0	0	0
TOTAL	30	20	20	4	16

NUMBER OF GRIEVANCES/INQUIRIES FOR 1999

of the grievances reported **73%** were resolved successfully
of the grievances reported **27%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	2	0	0	0	0
2) claim payment/amount of payment	29	15	15	4	11
3) contract terms and conditions	3	0	0	0	0
4) other	0	0	0	0	0
TOTAL	34	15	15	4	11

NUMBER OF GRIEVANCES/INQUIRIES FOR 1998

of the grievances reported **65%** were resolved successfully
of the grievances reported **35%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	N/A	N/A	N/A	N/A	N/A
2) claim payment/amount of payment	N/A	N/A	N/A	N/A	N/A
3) contract terms and conditions	N/A	N/A	N/A	N/A	N/A
4) other	N/A	N/A	N/A	N/A	N/A
TOTAL	3	26	29	10	19

PLEASE NOTE: an adverse decision indicates the decision was against member, not that the HMO was incorrect

a successful resolution means the grievance was resolved to the members satisfaction
N/A means the information was not available

10 YEAR MEMBER ENROLLMENT STATISTICS

Year	Individual Members	Medicare members	Group members	Number groups	TOTAL members	Average Annual
ending 12/31/05	43	0	27,642	337	27,685	27,593
ending 12/31/03	0	0	67,824	494	67,824	69,525
ending 12/31/02	72	0	30934	316	31006	15591
ending 12/31/01	7	0	22,520	609	22,520	23,844
ending 12/31/00	0	0	37,268	200	37,268	36,661
ending 12/31/99	N/A	0	13,141	270	13,141	10,426
ending 12/31/98	N/A	0	12,568	205	12,568	11,860
ending 12/31/97	N/A	0	8,118	122	8,118	7,728
ending 12/31/96	N/A	0	6,669	91	6,669	5,396
ending 12/31/95	N/A	0	3,373	132	3,373	3,425
ending 12/31/94	N/A	0	5,659	157	5,659	4,656

AETNA HEALTH, Inc. (formerly AETNA U. S.
HEALTHCARE, INC.)

	As of 3/31/2005	As of 6/30/2005	As of 9/30/2005	As of 12/31/2005
	\$			
ASSETS	34,738,770	\$23,867,989	\$20,888,604	\$18,251,654
LIABILITIES	\$14,540,218	\$8,816,692	\$9,610,072	\$9,703,263
TOTAL CAPITAL AND SURPLUS	\$20,198,552	\$15,051,297	\$11,278,532	\$8,548,391
NET INCOME	\$2,345,119	\$4,034,073	\$5,103,318	\$6,487,569
TOTAL MEDICAL AND HOSPITAL EXPENSES	\$14,759,593	\$29,434,613	\$44,706,061	\$60,462,671
PREMIUMS NON TN CARE	\$20,283,391	\$40,198,127	\$60,548,644	\$ 80,765,395
TOTAL ADMINISTRATIVE EXPENSES	\$3,027,923	\$5,646,864	\$9,604,324	\$12,098,260
UNCOVERED EXPENSES	\$2,202,068	\$3,936,328	\$4,894,036	\$6,142,344
RATIO OF MEDICAL EXPNESES TO PREMIUMS	72.77%	73.22%	73.83%	74.86%
RATIO OF ADMINISTRATIVE EXPNESES TO PREMIUMS	14.93%	14.05%	15.86%	14.98%